



CIVIL AIR PATROL  
NATIONAL HEADQUARTERS  
MAXWELL AFB AL 36112-6332

CAP REGULATION 70-1 (E)

4 NOVEMBER 2001

### Contracting Management

## CIVIL AIR PATROL ACQUISITION REGULATION INTRODUCTION

This regulation fulfills requirements contained in OMB Circular A-110 as implemented by the DoD Grants and Agreements Regulation (DoDGAR) and the Cooperative Agreement with the Air Force. It provides CAP personnel definitive reference on the acquisition process, from requisition to contract closeout for purchases funded by appropriated or corporate funds. The system is designed to be responsive to mission needs and requirements and will ensure contracts are awarded in the best interests of CAP. It creates an environment in which Contracting and the requiring agency are a team working together toward a common goal. This regulation applies to CAP National Headquarters, all Corporate officers, Bookstore, Supply Depot, regions and wings. **Note: Shaded areas identify new or revised material.**

This regulation is designed to establish procurement standards IAW DoDGAR and to assist customers in understanding what Contracting needs in order to fill their requirements in a timely manner. Section 1, General and Administrative, provides customers with most of the information needed to prepare and submit requisitions. It also contains priority designators and their corresponding purchasing lead-times. While customers determine their priorities, there are some basic guidelines:

- 1 – Neither poor planning nor expiring funds is an excuse for using a high priority.
- 2 – Setting higher priorities than necessary slows down the process for everyone.
- 3 – Requirements exceeding \$100,000 take longer to process regardless of priority.

No regulation, no matter how comprehensive can cover everything. In those instances where no guidance exists, Contracting uses sound judgment and good business acumen in making the acquisition.

Your suggestions are welcome. Submit them in writing to the Chief, Contracting Management (LGC).

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## SECTION A- GENERAL AND ADMINISTRATIVE

### CHAPTER 1- PURCHASE CATEGORIES, DESCRIPTIONS, APPROVALS, RATIFICATIONS AND STANDARDS OF CONDUCT

**1-1. PURPOSE.** Establish categories of purchases, approvals, ratification procedures and standards of conduct.

**1-2. PROCEDURES.**

**a.** Contracting is responsible for acquisitions in four different categories: supplies, equipment, services (including rental and contractual maintenance) and sales.

**b.** The requestor is responsible for providing a complete commercial description and special shipping instructions, if any, for the item or service required. This includes functions to be performed or performance required, range of acceptable characteristics or minimum acceptable standards.

1) Justify any characteristics inhibiting full and open competition.

2) List salient characteristics when using brand name description.

3) To the extent practical and economically feasible:

a) Use the metric system of measurement.

b) Specify products and services that conserve natural resources and protect the environment and are energy efficient.

**c.** Obtaining Approvals.

1) It is the requestor's responsibility to obtain all required approvals, conduct or initiate any lease vs. purchase analysis, ensure the request is within prescribed limitations, and route the request through proper channels. Contracting is not responsible in the event approvals, studies, limitations, and/or routing are later found to be in error. Among the items requiring approval/coordination are:

a) Computer hardware or software, including licenses, services or consultant work requires NHQ CAP/MS approval.

b) Aircraft major maintenance requires NHQ CAP/LGM approval.

c) Vehicle purchases or repairs require NHQ CAP/LGT approval.

d) Communications equipment or services require NHQ CAP/DO approval.

e) Aircraft purchases (new or used) require NHQ CAP/DO approval.

f) Clothing and novelty items require coordination with the Bookstore.

2) Contracting will make available for pre-award review by Defense Contract Management Center, if requested, any acquisition exceeding the simplified acquisition threshold (currently \$100,000 or \$5 million for commercial items) if:

a) Award is to be made without competition or only one offer is received.

b) The description specifies a "brand name" product.

c) Award will be made to other than the low bidder under a sealed bid procurement.

d) Any contract change.

**d.** Requisitioning.

1) All requests are entered into *e.Requisition* by the requestor. Approval Trees are the responsibility of each department/region/wing. Until off-site agencies gain access, requirements are submitted through their department, NHQ CAP program manager, or the NHQ CAP/MS for system input. Include a statement of fund availability unless acquisition is HQ funded.

2) Priorities.

a) There are three priorities:

1 Priority A – Mission/Operational Impact: Must be purchased immediately to alleviate a critical condition, i.e., grounded aircraft, safety concern, etc.

2 Priority B – Mission/Operations Hindered: Must be purchased quickly to alleviate a serious condition, i.e., vehicle repair, computer repair, etc.

3 Priority C – Routine. Stock Replenishment: Regular or recurring purchases of supplies, equipment or services.

b) Purchasing lead-times for purchases under \$100,000:

1 Priority A – Average less than 3 days per purchase.

2 Priority B – Average less than 7 days per purchase.

3 Priority C – Average less than 20 days per purchase.

c) Lead-times for purchases exceeding \$100,000 will average 30-60 days.

3) Splitting requirements to avoid the various acquisition thresholds, i.e., micropurchase, competitive, simplified acquisition is strictly prohibited.

**e. Ratifications.**

1) Ratification is the approval of an otherwise authorized purchase made by an unauthorized person. It can only occur if

- a) the item(s) or services are authorized for purchase;
- b) the unit is authorized to have the item(s) or services;
- c) sufficient funds are available to cover the cost and
- d) the price is determined fair and reasonable.

2) When a ratification action is necessary, CAP personnel comply with the following:

- a) Prepare the appropriate purchase request form.
- b) Submit a memorandum with the purchase request to the Director, Logistics. It will include:

- 1 Circumstances leading to the unauthorized purchase.
- 2 Disciplinary action taken or reason(s) why none was deemed necessary.
- 3 Action taken to prevent recurrence.
- 4 Signature by the department director or the commander having jurisdiction.

c) The Director, Logistics approves/disapproves ratifications:

- 1 If approved, it is sent to Contracting for purchase action.
- 2 If disapproved, it is returned to the sender with an explanation for the disapproval. The individual responsible for the act makes restitution to the vendor for disapproved ratifications.

**f. General Counsel Review.**

1) Review is obtained for the following:

- a) Open market purchases in excess of the simplified acquisition threshold including contract changes.
- b) Purchase related documents requiring signature by Executive Director or Assistant Executive Director.
- c) Notices of termination for acquisitions exceeding the simplified acquisition threshold.
- d) Ratifications.
- e) Issues involving standards of conduct.
- f) Contractor disqualifications.

g) As otherwise required by this regulation or when deemed necessary by the Chief, Contracting Management.

2) Review and comments are documented in the file being reviewed.

**g. Standards of Conduct.**

1) Contracting personnel as well as individuals who interact with vendors are expected to conduct themselves in a professional manner at all times. Avoid even the appearance of a conflict of interest. Such a conflict arises when the employee, officer, or agent, any member of his or her immediate family, his or her partner or an organization which employ any of the parties indicated herein, has a financial or other interest in the firm selected for award.

2) The officers, employees and agents of CAP shall neither solicit, nor accept gratuities, favors or anything of more than intrinsic value from contractors or parties to subagreements. Therefore, soliciting or accepting any gift, tickets or passes to entertainment or sporting events, compensation or other items of more than intrinsic value is strictly prohibited. For CAP, intrinsic value is limited to promotional items such as calendars, pens, pencils, cups, mugs and other items available to the general public and having a monetary value less than \$25.

3) CAP personnel shall not accept transportation or meals except in those cases where declining would be inappropriate. For example, a meal in a company sponsored cafeteria or transportation is provided for a group.

4) Standards of conduct issues are reviewed by the Director, Logistics and forwarded to the Executive Director for the determination of type of disciplinary action up to and including termination of employment or membership.

5) Nothing in these standards is intended to prohibit the legitimate corporate solicitation of funds or items of value such as donations, scholarships, grants, promotional giveaways, or items customarily associated with the operation of a nonprofit corporation. The solicitor should consult with General Counsel prior to any action.

**1-3. RESPONSIBILITIES.** Requestors are responsible for ensuring requests are on the proper form, funded, and meet the approval and limitation criteria set forth. Contracting is responsible for making the purchase.

**1-4. CONTROL.** The Chief, Contracting Management exercises overall supervision of purchases.

**CHAPTER 2- SOURCES OF SUPPLY**

**2-1. PURPOSE.** Provide Contracting with criteria for selecting sources.

**2-2. PROCEDURES.**

**a.** Use of existing government contracts, i.e., General Services Administration (GSA), Federal Prison Industries (FPI), Defense Logistics Agency (DLA), etc., is optional. When a government contract source is used, further competition is not required as prices are fair and reasonable.

**b.** Vendors are excluded from competing for any procurement in which they participated through development or drafting of specifications, requirements, statements of work or invitations for bid and/or requests for proposals. This prohibition does not extend to vendors responding to market research inquiries from CAP personnel.

**c.** Supplies/Equipment/Services. Solicitations in excess of the competitive threshold should include at least one Small Disadvantaged Business (SDB) unless Contracting finds no known small SDB sources that can meet the requirement. This requirement does not apply to Teardown and Quote (TDQ) solicitations.

**d.** CAP employees shall not be solicited for purchases. This prohibition does not extend to CAP members working from their places of business. Members receive no preferential treatment in source selection. Every effort is made to avoid even the appearance of any impropriety when dealing with members. Obtain competitive quotes whenever possible.

**e.** Rotating awards among qualified sources is not required.

**f.** Vendor Management.

**1)** A current listing of vendors is maintained by Contracting.

**2)** Adding open market vendors.

**a)** Vendors requesting inclusion on our list are provided a bidder information package.

**b)** Upon receipt of the completed package the vendor is added to the appropriate list and the package destroyed.

**c)** Large businesses are not added to the vendor list without LGC approval.

**3)** Pre-qualification of vendors.

**a)** Vendors are pre-qualified as to business size and status to comply with mandated requirements.

**b)** Vendors are controlled by quality and timeliness of product/service furnished as well as cooperation in resolving problems. Non-performers are either suspended or eliminated altogether depending on circumstances. No negative action is taken without first affording the vendor the opportunity to explain nonperformance.

**c)** A potential vendor with whom we have no history or no known reputation is asked to provide information relevant to capacity and credit. Recent references are also obtained. Information is checked before award to ensure vendor eligibility. Negative award determinations require approval by LGC.

**4)** Vendor acceptability.

**a)** A 1-position alpha code is used to evaluate vendors based on their ability to meet the following requirements: product/service quality, delivery dependability and cooperation in resolving problems. Codes used in the system are:

CODE

A	All requirements met
B	No requirement met
C	Product/Service quality not met
D	Delivery time not met
E	Problem resolution not met
F	Product/Service quality and delivery time not met
G	Product/Service quality and problem resolution not met
H	Delivery time and problem resolution not met

**b)** Vendor file is evaluated quarterly by LGC. Vendors with questionable performance are put on notice. If problems persist, the vendor is subject to elimination from the vendor file.

5) Removing vendors.

a) Vendors may be removed if they fail to respond to three or more consecutive solicitations.

b) Removal of woman owned or disadvantaged firms require LGC concurrence unless the firm is no longer in business.

6) Suspended vendors.

a) In addition to the General Service Administration's *List of Parties Excluded from Federal Procurement and Nonprocurement Programs*, the branch maintains records of vendors suspended locally. (See Section C, Chapter 8.)

b) LGC reviews list annually.

c) Firms on this list are not eligible to receive solicitations or awards unless warranted by compelling circumstances documented in the file and approved by LG and GC.

**2-3. RESPONSIBILITIES.** Contracting personnel are responsible for insuring this procedure is followed.

**2-4. CONTROL.** The Chief, Contracting Management is responsible for overall management.



### CHAPTER 3- JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

**3-1. PURPOSE.** Provide procedural guidance for preparing justifications limiting competition for acquisitions in excess of the small purchase threshold. For purchases under the threshold, see Section B, Chapter 1.

#### 3-2. PROCEDURES.

##### a. Definitions.

- 1) Sole Source - any open market acquisition when only one source is to be solicited.
- 2) Brand Name - any open market acquisition where only a particular brand will meet the minimum needs of the requestor.
- 3) Competition – two or more competitively priced offers independently arrived at. Competition is required on all open market acquisitions (except TDQs) exceeding the following competitive thresholds:
  - a) Unit cost of \$2,500 or more per item, or
  - b) Total cost of \$25,000 or more per item, or
  - c) Total cost of \$25,000 or more per purchase.

##### b. Sole Source.

1) Sole source is used only as a last effort to fill needed requirements. Some factors which might justify sole source procurement are:

- a) Determination that only a single source has the capability/certification to provide the supplies/services within a specified period of time.
- b) Determination that for configuration management/control purposes, only a single source's item of supply is acceptable.
- c) Determination that only one source/contractor possesses the unique capability (e.g., technical knowledge, manufacturing processes, special tooling or test equipment) to provide the requested supplies/services.
- d) Lack or unsuitability of re-procurement data.
- e) Insufficient lead-time to qualify another source or product. This authority shall not be used as a substitute for poor advance planning or as a means to obligate expiring funds.

2) Sole source justifications are prepared in letter format addressed to LG. The requestor must submit clear and convincing evidence that only one source has the ability to fulfill the requirement. Sole source justification letters will address a) and g) plus one or more from b) through f):

- a) A brief non-technical description of the supplies/services to be acquired to include statements as to the general application and particular significance/specialized character of the requirement and an estimate of the total cost of the acquisition.
- b) A clear, concise statement regarding the circumstances surrounding the sole source position of the source of the requested supplies/services.
- c) If urgency is cited as a circumstance requiring sole source, (mandated by law, congressional requirement, local or national emergencies) why only one contractor can meet the requirement.
- d) Cite specific data required in the performance of the request for supply/services that is only available from one source and the significance of this data to the acquisition. The mere statement that proprietary data exists is not adequate.
- e) Include the unique capabilities required for performance that are possessed by the source. State reasons why no other source has or can obtain these capabilities and why they are essential.
- f) Provide any other reason that cannot be practically avoided for the exclusion of other sources.
- g) Provide a concluding statement that the proposed sole source is the only known source that can satisfy the requirement. Statements such as "No other source(s) are considered qualified" shall not be considered a basis for sole source justification.

3) The Executive Director, Assistant Executive Director, department director, National Commander, region or wing commander, as appropriate, sign sole source letters. For NHQ CAP/LG only, Chiefs sign the letter.

4) Director, Logistics reviews sole source letters. Approved letters are forwarded to Contracting for purchase action and subsequent filing in the order file. Sole source letters support only one acquisition. Future acquisitions must have their own justification. Disapproved justifications are returned to the originator. The request for purchase is cancelled within three workdays after disapproval unless the requestor indicates otherwise.

**c. Brand Name Purchase.**

**1)** Brand name is used when there is a need to restrict the acquisition to a single brand regardless of the source of supply. Some factors which could justify brand name procurement are:

- a)** Genuine replacement parts are needed to insure the integrity of the end item.
- b)** A parts stock for a particular brand is established and the cost of setting up and maintaining a second stock is not economical.
- c)** Use of a particular brand is mandated by regulation or directive.

**2)** Brand name justification letters need not be as detailed as sole source letters. As a minimum, they must set forth a description of the required item, and the reason why only the brand name specified will meet minimum needs. All statements must be supported by facts.

**3)** Brand name letters are signed by the chief/manager of the division/section/branch or National Commander, or region or wing commander requesting the item.

**4)** Forward brand name letters to LGC for review and approval/disapproval.

**d. Price alone cannot justify either sole source or brand name.**

**3-3. RESPONSIBILITIES.** Requestors prepare and submit letters. The Chief, Contracting Management insures all limited competition procurement actions are completely justified and approved at the proper level prior to effecting procurement.

**3-4. CONTROL.** The Director, Logistics in coordination with the Chief, Contracting Management insure "sole source" and "brand name" letters fulfill above stated criteria.

**CHAPTER 4- DELEGATION OF AUTHORITY**

**4-1. PURPOSE.** Establish authority for signing purchase and purchase related documents.

**4-2. PROCEDURES.**

a. The Executive Director, Assistant Executive Director and the Director, Logistics have authority to sign purchase and purchase related documents without regard to dollar limit.

b. To the Chief, Contracting Management, the same as above except:

1) Acquisitions are limited to \$5 million.

2) Ratifications.

c. To the Contracting Specialist acquisition authority is limited to \$100,000 except commercial purchases are limited to \$1 million.

d. To the Contracting Technician acquisition authority is limited to \$100,000.

e. To program managers, the authority to approve reimbursements to regions/wings/units for purchases up to the competitive level.

f. The Chief, Contracting Management reviews documents prior to obtaining signatures by the Executive Director, Assistant Executive Director or Director, Logistics.

g. Commercial items are defined as those items purchased by the general public for the same or similar use with little or no alterations to accommodate unique requirements.

**4-3. RESPONSIBILITIES.** Contracting personnel insure documents have the proper signature authority and sufficient funds.

**4-4. CONTROL.** The Director, Logistics is responsible for overall management of this procedure.

## CHAPTER 5- PREFERRED VENDOR POLICIES

**5-1. PURPOSE.** Establish procedures for soliciting and awarding transactions to preferred vendors.

**5-2. PROCEDURES.**

**a. Preferred Vendors.**

1) Small Business - Independently owned and operated; not dominant in its field of operation; number of employees or average annual receipts do not exceed limits established in North American Industry Classification System (NAICS).

2) Small Disadvantaged Business - A small business owned and controlled by one or more individuals who are socially or economically disadvantaged including African Americans, Asian-Indian Americans, Hispanic Americans, Native Americans and Asian Pacific Americans.

3) Woman Owned Business - A small business that is owned and controlled by women who are United States citizens.

**b. Small Business Specialist.**

4) The Chief, Contracting Management is the Small Business Specialist for CAP.

5) Duties include:

a) Establishing procedures for utilizing SB/SDB/WOB firms.

b) Establishing guidance for buyers.

**c. Guidance.**

1) Self-certification is the acceptable method for determining the category and size of an offeror.

2) Protests are accepted from firms who submitted an offer on the solicitation only. The protestor must submit clear, convincing and factual evidence to support their protest. The Chief, Contracting Management, as the Small Business Specialist, rules on the merit of the protest.

**5-3. RESPONSIBILITIES.** The Small Business Specialist is responsible for this program.

**5-4. CONTROL.** The Director, Logistics exercises overall management supervision of these procedures.

**CHAPTER 6- REPORTS**

**6-1. PURPOSE.** Establish procedures for reporting awards by business type.

**6-2. PROCEDURES.**

**a.** Prior to the 5th of each month, a report is submitted through the Director, Logistics to the Executive Director and CAP-USAF/LG reflecting the dollar value on all transactions issued during the previous month by the Contracting division. Actions, line items and dollars awarded are consolidated and reported as awards to small, small disadvantaged, woman owned, and large businesses.

**b.** For reporting purposes, the month ends on the 25th or the next scheduled workday if the 25th is a weekend or holiday. The only exception is the month of September, which is carried through to the 30th.

**c.** Copies of all documents submitted are maintained in the Contracting office file.

**d.** Contracting reports are not designed to balance against reports generated by Accounting, Budget or any other organization.

**6-3. RESPONSIBILITIES.** Contracting personnel are responsible for correct input of all transactions.

**6-4. CONTROL.** The Executive Director exercises overall management through the Director, Logistics and the Chief, Contracting Management.

## CHAPTER 7- QUALITY CONTROL PLAN

**7-1. PURPOSE.** Establish and maintain an effective quality control program

**7-2. PROCEDURES.**

**a. Open Market Solicitations.**

1) Written solicitations over \$100,000 or those that will result in contracts.

a) Ad hoc committee conducts a thorough review of all solicitations prior to reproduction. The review includes:

1 Documentation supporting other than full and open competition.

2 Documentation supporting non set-asides for small business (must be approved by the Chief, Contracting Management unless sole source).

3 Required clauses and provisions.

4 Required supporting documentation, i.e., purchase request, description/specifications, etc.

5 Make a written record of review comments and corrective actions.

2) Written solicitations under \$100,000.

a) Reviewed by the Chief, Contracting Management prior to mailing using above criteria.

b) Review is evidenced by initials on file copy.

**b. Contracts and Purchase Orders.**

1) An ad hoc committee reviews all contracts and open market purchase orders exceeding \$100,000. The review includes:

a) Abstract.

b) Approval to award.

c) Funding (if required).

d) Limited bid response memo (if required).

e) Documented review of the current *Lists of Parties Excluded from Federal Procurement or Non Procurement Programs*.

2) Review is documented and made part of file.

**c. Purchase Orders Under \$100,000, Delivery Orders and Blanket Purchase Agreements.**

1) Purchase/delivery orders are reviewed prior to signature. The review includes:

a) Delivery date.

b) Purchase request.

c) Remittance address.

d) Required clauses.

e) Business size.

f) Contract number (if any).

g) Pricing documentation.

1 A Pricing memo supports noncompetitive awards exceeding the competitive limit.

2 A Pricing memo may also be prepared for competitive awards as required.

h) Review is evidenced by signature on purchase order or other electronic means.

2) Blanket Purchase Agreements (BPAs).

a) Periodically the Chief, Contracting Management randomly reviews BPAs.

b) Review includes:

1 Pricing

2 Limitations

3 Follow-up

4 Activity (use)

c) Review is evidenced by initials and date on the call sheet or other electronic means.

**d. Follow-up.**

1) Automated.

a) Computer products are used to identify delinquent orders and overage purchase requests. Actions taken are documented on the respective listings.

b) The Chief, Contracting Management reviews the latest annotated listings as required.

c) Review is documented by signature on the listing or other electronic means.

2) Nonautomated.

a) Contracting documents actions taken.

b) Review is evidenced by signature/initials in the file.

c) Desk audits are conducted periodically to determine oldest open purchase request. Backlogs in excess of 300 open requests are audited at least monthly.

e. Customer Visits. Contracting visits customer work centers to discuss acquisition related issues. These visits are designed to foster communication with customer to avoid purchasing the wrong item.

f. Vendor Visits.

1) Contracting travels to vendor's places of business to assess capabilities and discuss other procurement business.

2) Vendors visiting Contracting provide them and customers with an expanded source base.

3) Obtain catalogs to provide customers with a wide range of product selection.

g. Office Management.

1) Acquisition regulation.

a) The Chief, Contracting Management conducts review of CAPR 70-1 at least annually.

b) Branch personnel are encouraged to submit change requests with supporting rationale.

c) Substantive changes are processed when necessary. Minor administrative changes are consolidated and held for later incorporation.

d) Test procedures are drafted, coordinated with LG and implemented. If successful, they are incorporated into the next change.

e) All changes require LG approval prior to implementation.

2) Goals, metrics and other briefings and reports.

a) The Chief, Contracting Management tracks business contract awards monthly.

1 Develops and implements actions to ensure maximum participation by preferred vendors.

2 Reviews all reports relating to achievement.

3 Analyzes reasons behind failure, determines if problem is short or long term and what, if any, corrective action is needed.

4 Maintains various files on actions taken as well as attendance at functions designed to foster S/SDB participation.

b) Metrics are developed by the Chief, Contracting Management.

1 Metrics are tracked daily, weekly or monthly as appropriate.

2 Metrics tracked may include:

a Workload backlog

b Procurement status

c Actions and line items processed

d Purchasing lead-times

3 Documentation of tracking and action, if any, is maintained in various files in the branch.

c) Status Briefings and Reports.

1 Status is briefed to the Director, Logistics and CAP-USAF/LG as needed monthly.

2 Status is briefed to Executive Director quarterly or more frequently as required.

3 Written reports are submitted as required.

**7-3. RESPONSIBILITIES.** Each member of the branch is responsible for the quality of his/her work.

**7-4. CONTROL.** The Chief, Contracting Management exercises overall management of branch quality control.

**CHAPTER 8- PROVISIONS AND CLAUSES**

**8-1. PURPOSE.** Establish acquisition provisions and clauses for solicitations and contracts.

**8-2. PROCEDURES.**

- a. Solicitation Instructions and Conditions are shown at Tab 1.
- b. Representations and Certifications are shown at Tab 2.
- c. Evaluation Factors for Award are shown at Tab 3.
- d. Contract Clauses are shown at Tab 4.

**8-3. RESPONSIBILITIES.** The Contracting Specialist maintains currency of all solicitation provisions and contract clauses.

**8-4. CONTROL.** The Chief, Contracting Management exercises overall management.



**CIVIL AIR PATROL****SOLICITATION INSTRUCTIONS AND CONDITIONS**

- (a) *Small business size standard.* The small business size standard for this acquisition appears in the solicitation. However, the small business size standard for a concern which submits an offer in its own name, but which proposes to furnish an item which it did not itself manufacture, is 500 employees.
- (b) *Submission of offers.* Submit signed and dated offers to the office specified in this solicitation at or before the exact time specified in this solicitation. Offers may be submitted on letterhead stationery, or as otherwise specified in the solicitation. As a minimum, offers must show
- (1) the solicitation number;
  - (2) the time specified in the solicitation for receipt of offers;
  - (3) the name, address, and telephone number of the offeror;
  - (4) a technical description of the items being offered in sufficient detail to evaluate compliance with the requirements in the solicitation. This may include product literature, or other documents, if necessary;
  - (5) terms of any express warranty;
  - (6) price and any discount terms;
  - (7) "remit to" address, if different than mailing address;
  - (8) a completed copy of the representations and certifications;
  - (9) acknowledgment of Solicitation Amendments;
  - (10) past performance information, when included as an evaluation factor, to include recent and relevant contracts for the same or similar items and other references (including contract numbers, points of contact with telephone numbers and other relevant information) and
  - (11) offers that fail to furnish required representations or information, or reject the terms and conditions of the solicitation may be excluded from consideration.
- (c) *Period for acceptance of offers.* The offeror agrees to hold the prices in its offer firm for 60 calendar days from the date specified for receipt of offers, unless another time period is specified in an addendum to the solicitation.
- (d) *Product samples.* When required by the solicitation, product samples shall be submitted at or prior to the time specified for receipt of offers. Unless otherwise specified in this solicitation, these samples shall be submitted at no expense to the CAP, and returned at the sender's request and expense, unless they are destroyed during pre-award testing.
- (e) *Multiple offers.* Offerors are encouraged to submit multiple offers presenting alternative terms and conditions or commercial items for satisfying the requirements of this solicitation. Each offer submitted will be evaluated separately.
- (f) *Late submissions, modifications, revisions, and withdrawals of offers.*

(1) Offerors are responsible for submitting offers, and any modifications, revisions, or withdrawals, so as to reach the office designated in the solicitation by the time specified in the solicitation. If no time is specified in the solicitation, the time for receipt is 4:30 p.m., local time, for the designated office on the date that offers or revisions are due.

(2) Acceptance of late offers.

(i) Any offer, modification, revision, or withdrawal of an offer received at the office designated in the solicitation after the exact time specified for receipt of offers is "late" and will not be considered unless it is received before award is made, the Chief, Contracting Management determines that accepting the late offer would not unduly delay the acquisition; and

(A) if it was transmitted through an electronic commerce method authorized by the solicitation, it was received at the initial point of entry to the CAP infrastructure not later than 5:00 p.m. one working day prior to the date specified for receipt of offers; or

(B) there is acceptable evidence to establish that it was received at the office designated for receipt of offers and was under CAP control prior to the time set for receipt of offers or

(C) if this solicitation is a request for proposals, it was the only proposal received.

(ii) However, a late modification of an otherwise successful offer, that makes its terms more favorable to CAP, will be considered at any time it is received and may be accepted.

(3) Acceptable evidence to establish the time of receipt at the CAP office includes receipt time/date stamp on the offer wrapper, other documentary evidence of receipt maintained by CAP, or oral testimony or statements of CAP personnel.

(4) If an emergency or unanticipated event interrupts normal processes so that offers cannot be received at the office designated for receipt of offers by the exact time specified in the solicitation, and urgent requirements preclude amendment of the solicitation or other notice of an extension of the closing date, the time specified for receipt of offers will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal processes resume.

(5) Offers may be withdrawn by written notice received at any time before the exact time set for receipt of offers. Oral offers in response to oral solicitations may be withdrawn orally. If the solicitation authorizes facsimile offers, offers may be withdrawn via facsimile received at any time before the exact time set for receipt of offers, subject to the conditions specified in the solicitation concerning facsimile offers. An offer may be withdrawn in person by an offeror or its authorized representative if, before the exact time set for receipt of offers, the identity of the person requesting withdrawal is established and the person signs a receipt for the offer.

(g) *Contract award.* CAP will award the contract(s) as soon as practicable to the lowest responsible offeror(s), price and other factors considered, provided the offer is reasonable and it is in the interest of CAP to accept it. In the case of negotiated acquisitions, CAP reserves the right to make award without conducting discussions. If CAP elects to conduct discussions, nothing in this solicitation shall be construed to require CAP to talk to all offerors. CAP

reserves the right to waive any informality in offers received when such waiver is in the interest of CAP. In case of error in the extension of prices, the unit price will govern. CAP further reserves the right to accept or reject any or all items of any offer, or make an award to the offeror whose aggregate offer on any combination of items is low.

(h) *Multiple awards.* CAP may accept any item or group of items of an offer, unless the offeror qualifies the offer by specific limitations. Unless otherwise provided in the Schedule, offers may not be submitted for quantities less than those specified. CAP reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit prices offered, unless the offeror specifies otherwise in the offer.

(i) Availability of requirements documents cited in the solicitation.

(1) The GSA Index of Federal Specifications, Standards and Commercial Item Descriptions, FPMR Part 101-29, and copies of specifications, standards, and commercial item descriptions cited in this solicitation may be obtained for a fee by submitting a request to:

GSA Federal Supply Service Specifications Section  
470 L'Enfant Plaza, SW, Suite 810  
Washington, DC 20407

Telephone: (202) 619-8925  
Facsimile: (202) 619-8978

(2) The DoD Index of Specifications and Standards (DoDISS) and documents listed in it may be obtained from the:

Department of Defense Single Stock Point (DoDSSP)  
Building 4, Section D  
700 Robbins Avenue  
Philadelphia, PA 19111-5094

Telephone: (215) 697-2179  
Facsimile: (215) 697-1462

(i) Automatic distribution may be obtained on a subscription basis.

(ii) Order forms, pricing information, and customer support information may be obtained

(A) by telephone at (215) 697-2179 or

(B) through the DoDSSP Internet site at <http://assist.daps.mil>.

(3) Nongovernment (voluntary) standards must be obtained from the organization responsible for their preparation, publication or maintenance.

(j) *Rejection of Offers.* CAP reserves the right to reject any or all offers when such rejection is in the interest of CAP; to reject the offer of an offeror who has previously failed to perform properly or to complete on time contracts of similar nature; and to reject the offer of an offeror who is not, in the opinion of the Chief, Contracting Management, in a position to perform the contract.

*(k) Responsible Contractor.* To be determined responsible, a prospective contractor must: Have adequate financial resources to perform the contract, or the ability to obtain them; be able to comply with the required or proposed performance schedule, taking into consideration all existing business commitments; have a satisfactory performance record; have a satisfactory record of integrity and business ethics; have the necessary organization, experience, accounting and operational controls, technical skills, or the ability to obtain them; have the necessary production and the technical equipment and facilities, or the ability to obtain them; and be otherwise qualified and eligible to receive an award under applicable laws and regulations.

Upon notification the prospective contractor is required to submit the following information within three working days to:

Civil Air Patrol  
105 S. Hansell St.  
Maxwell AFB, AL 36112-6332  
Attn: Contracting

- (1) Name of bank, phone number and individual to contact.
- (2) Include last three contracts you have finished of a similar nature, supplying the following information on the project:
- (3) Dollar Value
- (4) Contract number and Firm
- (5) Person to contact
- (6) Phone number
- (7) Statement that you are able to comply with the performance period, taking into consideration all other business commitments and necessary ordering lead-time.
- (8) Statement you have the necessary organization, experience, accounting and operational controls, technical skills, or equipment and/or the ability to obtain them.

*(l) Labor Disputes*

In the event a labor dispute arises, the successful offeror under this contract will immediately notify CAP.

*(m)* Telegraphic or mailgram offers are unacceptable.

/ / *(n)* Facsimile offers and offer amendments are prohibited.

/ / *(o)* Facsimile offers and Modifications to Offers.

Facsimile (FAX) offers and modifications to offers will be accepted subject to the following:

- (1) The complete offer/modification must be received AND PRINTED prior to the date and time set for receipt of offers. CAP will not be liable for any reason in the event the complete offer/modification is not received AND PRINTED prior to the date and time set for receipt of offers. CAP will reject any offer/modification received AND PRINTED after the date and time set for receipt of offers.
- (2) CAP cannot guarantee the privacy of any offer/modification made by FAX. Upon receipt offers/modifications will be placed in an envelope and stored with others for that solicitation.
- (3) Do not call to confirm receipt. CAP will not reveal the identity of any offerors prior to the date and time set for receipt.
- (4) When requested to do so the offeror shall furnish the original of their offer/modification to CAP within four workdays after such request, oral or written, is made. Failure to do so will result in rejection of the offer.

*(p) Offer Protests*

- (1) Prior to Offer Submission: Chief, Contracting Management will entertain protests from any potential offeror or supplier on any matter related to this acquisition, provided that the written protest is received at least five workdays prior to the date set for receipt of offers. Any protest received after that point is considered untimely and rejected.
- (2) After Offer Submission: Chief, Contracting Management will entertain protests from interested parties only. "Interested parties" is defined as a firm who submitted an offer to CAP on this solicitation. In order to be considered, a written protest must be received in Contracting within five workdays after the offers are opened, or in the case of an RFP or RFQ, within five workdays after the protestor should have become aware of the situation being protested. Protests dealing with the content of the solicitation, including specifications, statement of work, clauses, representations and certifications or provisions will not be considered.
- (3) Protest Response: Chief, Contracting Management will render a decision within 30 days after receipt of the protest. The protestor shall have five workdays in which to take written exception to the decision. Once exception is taken the matter is handled in accordance with the clause entitled DISPUTES.

**CIVIL AIR PATROL****REPRESENTATIONS AND CERTIFICATIONS****(a) Definitions.** As used in this provision:

*"Small business concern"* means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on contracts, and qualified as a small business under the criteria in 13 CFR Part 121 and size standards in this solicitation.

*"Women-owned small business concern"* means a small business concern

(1) which is at least 51 percent owned by one or more women or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women and

(2) whose management and daily business operations are controlled by one or more women.

*"Women-owned business concern"* means a concern which is at least 51 percent owned by one or more women; or in the case of any publicly owned business, at least 51 percent of the its stock is owned by one or more women; and whose management and daily business operations are controlled by one or more women.

**(b) Taxpayer identification number (TIN) (26 U.S.C. 6109)**

(1) All offerors must submit the information required in paragraphs (b)(2) through (b)(4) of this provision to comply with debt collection requirements of reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the Internal Revenue Service (IRS).

**(2) Taxpayer Identification Number (TIN).**

\* TIN: \_\_\_\_\_.

\* TIN has been applied for.

\* TIN is not required because:

\* Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States:

\* Offeror is an agency or instrumentality of a foreign government:

\* Offeror is an agency or instrumentality of the Federal Government:

**(3) Type of organization.**

\* Sole proprietorship

\* Partnership

\* Corporate entity (not tax-exempt)

- \* Corporate entity (tax-exempt)
- \* Government entity (federal, state, or local)
- \* Foreign government
- \* International organization per 26 CFR 1.6049-4
- \* Other \_\_\_\_\_.

(4) *Common parent.*

**\* Offeror is not owned or controlled by a common parent:**

**\* Name and TIN of common parent:**

Name \_\_\_\_\_

TIN \_\_\_\_\_

(c) Offerors must complete the following representations when the resulting contract is to be performed inside the United States, its territories or possessions, Puerto Rico, the Trust Territory of the Pacific Islands, or the District of Columbia. Check all that apply.

(1) *Small business concern.* The offeror represents as part of its offer that it / / is, / / is not a small business concern.

(2) *Small disadvantaged business concern.* [Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents, for general statistical purposes, that it / / is, / / is not, a small disadvantaged business concern as defined in 13 CFR 124.1002.

(3) *Women-owned small business concern.* [Complete only if the offeror represented itself as a small business concern in paragraph (c)(1) of this provision.] The offeror represents that it / / is, / / is not a women-owned small business concern.

(4) *Women-owned business concern (other than small business concern).* [Complete only if the offeror is a women-owned business concern and did not represent itself as a small business concern in paragraph (c)(1) of this provision.]. The offeror represents that it / / is, / / is not, a women-owned business concern.

(d) Representations required to implement provisions of Executive Order 11246.

(1) *Previous contracts and compliance.* The offeror represents that

(i) it / / has, / / has not, participated in a previous contract or subcontract subject either to the Equal Opportunity clause of this solicitation and

(ii) it / / has, / / has not, filed all required compliance reports.

(2) *Affirmative Action Compliance.* The offeror represents that

(i) it / / has developed and has on file, / / has not developed and does not have on file, at each establishment, affirmative action programs required by rules and regulations of the Secretary of Labor (41 CFR parts 60-1 and 60-2) or

(ii) it / / has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

(e) Certification Regarding Payments to Influence Federal Transactions (31 U.S.C. 1352). (Applies only if the contract is expected to exceed \$100,000.) By submission of its offer, the offeror certifies to the best of its knowledge and belief that no federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress on his or her behalf in connection with the award of any resultant contract.

(f) *Certification Regarding Debarment, Suspension or Ineligibility for Award (Executive Order 12549)*. The offeror certifies, to the best of its knowledge and belief, that

(1) the offeror and/or any of its principals / / are, / / are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency, and

(2) / / have, / / have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property and / / are, / / are not presently indicted for, or otherwise criminally or civilly charged by a government entity with, commission of any of these offenses.

(End of Provision)



**CIVIL AIR PATROL****EVALUATION FACTORS FOR AWARD**

(a) CAP will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to CAP, price and other factors considered. The following factors shall be used to evaluate offers:

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Technical and past performance, when combined, is \_\_\_\_\_.

(b) *Options*. CAP will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. CAP may determine that an offer is unacceptable if the option prices are significantly unbalanced. Evaluation of options shall not obligate CAP to exercise the option(s).

(c) A written notice of award or acceptance of an offer, mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer, shall result in a binding contract without further action by either party. Before the offer's specified expiration time, CAP may accept an offer (or part of an offer), whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award.

(End of Provision)

## CIVIL AIR PATROL

### CONTRACT CLAUSES

(a) *Inspection/Acceptance.* The contractor shall only tender for acceptance those items that conform to the requirements of this contract. CAP reserves the right to inspect or test any supplies or services that have been tendered for acceptance. CAP may require repair or replacement of nonconforming supplies or re-performance of nonconforming services at no increase in contract price. CAP must exercise its post-acceptance rights

(1) within a reasonable time after the defect was discovered or should have been discovered; and

(2) before any substantial change occurs in the condition of the item, unless the change is due to the defect in the item.

(b) *Assignment.* The contractor or its assignee's rights to be paid amounts due as a result of performance of this contract, may be assigned to a bank, trust company, or other financing institution, including any federal lending agency.

(c) *Changes.* Changes in the terms and conditions of this contract may be made only by written agreement of the parties.

(d) *Disputes.* Failure of the parties to this contract to reach agreement on any request for equitable adjustment, claim, appeal or action arising under or relating to this contract shall be a dispute to be resolved through ascending levels of management. The laws of the State of Alabama apply and any legal action shall be brought before a court in the State of Alabama. The contractor shall proceed diligently with performance of this contract, pending final resolution of any dispute arising under the contract.

(e) *Excusable delays.* The contractor shall be liable for default unless nonperformance is caused by an occurrence beyond the reasonable control of the contractor and without its fault or negligence such as, acts of God or the public enemy, acts of the government in its sovereign capacity, fires, floods, epidemics, quarantine restrictions, strikes, unusually severe weather, and delays of common carriers. The contractor shall notify the Chief, Contracting Management in writing as soon as it is reasonably possible after the commencement of any excusable delay, setting forth the full particulars in connection therewith, shall remedy such occurrence with all reasonable dispatch, and shall promptly give written notice of the cessation of such occurrence.

(f) *Invoice.* The contractor shall submit an original invoice and three copies (or electronic invoice, if authorized,) to the address designated in the contract to receive invoices. An invoice must include

(1) name and address of the contractor;

(2) invoice date;

(3) contract number, contract line item number and, if applicable, the order number;

(4) description, quantity, unit of measure, unit price and extended price of the items delivered;

(5) shipping number and date of shipment

(6) terms of any prompt payment discount offered;

(7) name and address of official to whom payment is to be sent and

(8) name, title, and phone number of person to be notified in event of defective invoice.

(g) *Patent indemnity.* The contractor shall indemnify CAP and its officers, employees and agents against liability, including costs, for actual or alleged direct or contributory infringement of, or inducement to infringe,

any United States or foreign patent, trademark or copyright, arising out of the performance of this contract, provided the contractor is reasonably notified of such claims and proceedings.

(h) *Payment.* Payment shall be made for items accepted by CAP that have been delivered to the delivery destinations set forth in this contract. In connection with any discount offered for early payment, time shall be computed from the date of the invoice. For the purpose of computing the discount earned, payment shall be considered to have been made on the date that appears on the payment check or the specified payment date if an electronic funds transfer payment is made.

(i) *Risk of loss.* Unless the contract specifically provides otherwise, risk of loss or damage to the commodities provided under this contract shall remain with the contractor until, and shall pass to CAP upon

(1) delivery to a carrier, if transportation is f.o.b. origin or

(2) delivery to CAP at the destination specified in the contract, if transportation is f.o.b. destination.

(j) *Shipping Charges.* Unless otherwise specified, orders issued f.o.b. origin shall be shipped via most economical method with charges added as a separate line item to the invoice.

(k) *Taxes.* The contract price includes all applicable federal, state, and local taxes and duties.

(l) *Termination for Convenience of Civil Air Patrol.* CAP reserves the right to terminate this contract, or any part hereof, for its sole convenience. In the event of such termination, the contractor shall immediately stop all work hereunder and shall immediately cause any and all of its suppliers and subcontractors to cease work. Subject to the terms of this contract, the contractor shall be paid a percentage of the contract price reflecting the percentage of the work performed prior to the notice of termination, plus reasonable charges the contractor can demonstrate to the satisfaction of CAP using its standard record keeping system, have resulted from the termination. This paragraph does not give CAP any right to audit the contractor's records. The contractor shall not be paid for any work performed or costs incurred that reasonably could have been avoided.

(m) *Termination for Cause.* CAP may terminate this contract, or any part hereof, for cause in the event of any default by the contractor, or if the contractor fails to comply with any contract terms and conditions, or fails to provide CAP, upon request, with adequate assurances of future performance. In the event of termination for cause, CAP shall not be liable to the contractor for any amount for supplies or services not accepted, and the contractor shall be liable to CAP for any and all rights and remedies provided by law. If it is determined that CAP improperly terminated this contract for default, such termination shall be deemed a termination for convenience.

(n) *Title.* Unless specified elsewhere in this contract, title to items furnished under this contract shall pass to CAP upon acceptance, regardless of when or where CAP takes physical possession.

(o) *Warranty.* The contractor warrants and implies that the items delivered hereunder are merchantable and fit for use for the particular purpose described in this contract.

(p) *Limitation of liability.* Except as otherwise provided by an express or implied warranty, the contractor will not be liable to CAP for consequential damages resulting from any defect or deficiencies in accepted items.

(q) *Other compliances.* The contractor shall comply with all applicable federal, state and local laws, executive orders, rules and regulations applicable to its performance under this contract. This includes Executive Order 11246, "Equal Employment Opportunity" as amended by E.O. 11375 and as supplemented by 41 CFR 60.

(r) *Compliance with laws.* The contractor agrees to comply with 31 U.S.C. 1352 relating to limitations on the use of appropriated funds to influence certain federal contracts; 18 U.S.C. 431 relating to officials not to benefit; 40 U.S.C. 276a to a-7, Davis-Bacon Act; 40 U.S.C. 327, *et seq.*, Contract Work Hours and Safety Standards Act; 41 U.S.C. 51-58, Anti-Kickback Act of 1986; 42 U.S.C. 6962 Section 6002, relating to preference for recycled products; 42 U.S.C. 7401 *et seq.* relating to the Clean Air Act; and 33 U.S.C. 1251 *et seq.* relating to Federal Water Pollution Control Act.

(s) *Order of precedence.* Any inconsistencies in this solicitation or contract shall be resolved by giving precedence in the following order:

- (1) The schedule of supplies/services.
- (2) The Assignments, Disputes, Payments, Invoice, Other Compliances, and Compliance with Laws paragraphs of this clause.
- (3) Addenda to this solicitation or contract, including any license agreements for computer software.
- (4) Solicitation provisions if this is a solicitation.
- (5) Other paragraphs of this clause.
- (6) Other documents, exhibits, and attachments.
- (7) The specification.

(t) *Comptroller General Examination of Record.* The contractor shall comply with the provisions of this paragraph if this contract was awarded using other than sealed bid and is in excess of the simplified acquisition threshold

- (1) The Civil Air Patrol, the Department of Defense, the Comptroller General of the United States, or their duly authorized representative shall have access to and right to examine any of the contractor's directly pertinent records involving transactions related to this contract.
- (2) The contractor shall make available at its offices at all reasonable times the records, materials, and other evidence for examination, audit, or reproduction, until three years after final payment under this contract. If this contract is completely or partially terminated, the records relating to the work terminated shall be made available for three years after any resulting final termination settlement. Records relating to appeals under the disputes clause or to litigation or the settlement of claims arising under or relating to this contract shall be made available until such appeals, litigation, or claims are finally resolved.
- (3) As used in this clause, records include books, documents, accounting procedures and practices, and other data, regardless of type and regardless of form. This does not require the contractor to create or maintain any record that the contractor does not maintain in the ordinary course of business or pursuant to a provision of law.

**CHAPTER 9- PRODUCT DEMONSTRATIONS**

**9-1. PURPOSE.** Establish procedures for accepting product demonstrations.

**9-2. PROCEDURES.**

- a. Product Demonstration – temporary no cost or liability loan of an item to test for suitability.
- b. Any vendor proposing a product demonstration completes the Save and Hold Harmless Agreement at Tab 1.
- c. As a general rule, product demonstrations are limited to a maximum of 30 days. A longer period requires NHQ CAP/LGC approval.
- d. Product demonstrations are not used to compensate for funding or equipment shortfalls.
- e. Items may be purchased in place after the demonstration, provided that they were new when placed or a waiver for new is signed by the director or wing commander.
- f. Purchases conform to the requirements stated elsewhere in the regulation.
- g. Demonstrations require approval by a corporate official.

**9-3. RESPONSIBILITIES.** Individuals receiving the demonstration complete the required forms and obtain signatures.

**9-4. CONTROL.** Department directors, National Commander, region and wing commanders approve and monitor demonstrations.

**PRODUCT DEMONSTRATION  
SAVE AND HOLD HARMLESS AGREEMENT**

*(insert company name)*, hereinafter referred to as vendor, agrees that the Civil Air Patrol, it's officers, employees and members, hereinafter referred to as CAP, are under no obligation now or in the future to purchase any product covered by this agreement.

The vendor agrees to save and hold harmless CAP from any and all costs associated with the demonstration, including those arising from damage or theft.

The parties agree the demonstration shall commence on *(insert date)* and end on *(insert date)*. NOTE: Any period longer than 30 days requires written justification from the receiver and NHQ CAP/LGC approval.

**Description of Product covered by this agreement:**

*(Include make, model and serial number of equipment, condition, i.e., new, reconditioned, used, good, fair, etc., and make note of any dents marks or other flaws or blemishes.)*

\_\_\_\_\_  
VENDOR SIGNATURE

\_\_\_\_\_  
CAP SIGNATURE (Corporate Officer Only)

\_\_\_\_\_  
PRINTED NAME

\_\_\_\_\_  
PRINTED NAME

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
TITLE

\_\_\_\_\_  
CITY, STATE AND ZIP

\_\_\_\_\_  
TELEPHONE NUMBER

\_\_\_\_\_  
TELEPHONE NUMBER

\_\_\_\_\_  
LGC APPROVAL (IF REQUIRED)

**CHAPTER 10- ACQUISITION PLANNING**

**10-1. PURPOSE.** Provide guidance for planning of acquisitions estimated to exceed \$100,000.

**10-2. PROCEDURES.**

a. Advance planning is critical to ensure major acquisitions are timely, accurate and complete.

b. Requiring activities notify the Chief, Contracting Management as soon as a requirement becomes known.

1) LGC, the requiring activity and other interested parties meet to discuss the requirement, procurement strategy, lead-time and other aspects relating to the purchase.

2) The group works to refine and define the requirement, including performance or delivery times and identifying potential sources.

3) If a sole source or other restricted competition acquisition is planned, prepare the necessary justification and obtain approval.

4) Complete as much pre-acquisition work as possible in order to facilitate contract award.

c. Unfunded Requirements.

1) A known requirement for which funds have not been allocated.

2) If funding is highly likely, Contracting can issue a solicitation containing a Notice of Funds Availability.

3) Solicitation bid expiration is no earlier than October 31 of the following fiscal year.

4) In lieu of submitting a request through *e.Requisition* the requestor will prepare and submit a memorandum to Contracting through Budget setting forth the basic requirement, a statement that there is a high expectation of funds becoming available within a reasonable time and requesting advance contracting action.

5) Once funds become available, the requestor submits a requisition through *e.Requisition* before Contracting definitizes the contract.

**10-3. RESPONSIBILITIES.** Requiring activities notify Contracting when requirements become known and prepare required documents. Contracting performs all related procurement functions.

**10-4. CONTROL.** Requiring activities and Contracting are responsible for acquisition planning.

**SECTION B- SIMPLIFIED PURCHASING****CHAPTER 1- ACCEPTANCE OF QUOTATIONS/LIMITING COMPETITION**

**1-1. PURPOSE.** Establish procedures and guidelines for issue and acceptance of quotes and limiting competition for acquisitions under the small purchase threshold.

**1-2. PROCEDURES.**

**a.** Requests to limit competition should follow the same general format shown in Section A, Chapter 3. Sole source justifications need not be as detailed but must present a sound, logical reason for the action. Price alone is never a reason for sole source.

**b.** Solicitation of three or more vendors is good competition, although, if only one offer is received, Contracting determines if price is fair and reasonable.

1) For purchases under the competitive level, preparation of the award document is a positive determination.

2) For noncompetitive purchases over the competitive level, prepare a pricing memorandum.

**c.** If Contracting determines that all quotes are unreasonable, negotiations are conducted with each offeror in the competitive range.

**d.** When necessary to consummate purchases immediately, give the supplier the purchase order number, shipping and billing instructions. The purchase order contains a statement substantially as follows: "Confirming order from (Name) to (Vendor's Representative) on (Date). NO NOT DUPLICATE ORDER."

**e.** Contracting reserves the right to reject any/all offers.

**f.** Prepayment is authorized where necessary.

**1-3. RESPONSIBILITIES.** Contracting insures acceptance is in accordance with directives.

**1-4. CONTROL.** The Chief, Contracting Management exercises overall management and supervision through the Contracting Specialist and Technician.



**CHAPTER 2- AWARD EVALUATION**

**2-1. PURPOSE.** Provide procedures for dividing awards when more than one low offer is received.

**2-2. PROCEDURES.** Purchases on one request for quotation are divided when one or more of the following conditions exist:

- 1) Offeror does not stipulate the offer is made on all or none basis.
- 2) Offeror cannot supply all items or services listed on Request for Quote (RFQ).
- 3) A substantial savings can be realized by making a split award.
  - a) \$50 or more is the basis for determination for BPA calls.
  - b) \$100 or more is the basis for determination for purchase orders.
  - c) \$250 or more is the basis for determination for contracts.
- 4) Issuance of two or more orders expedites delivery of all items required; provided, all prices are fair and reasonable.

**2-3. RESPONSIBILITIES.** Contracting is responsible for dividing awards when necessary.

**2-4. CONTROL.** The Chief, Contracting Management exercises overall management and supervision through the Contracting Specialist and Technician.

### CHAPTER 3- MICROPURCHASES

**3-1. PURPOSE.** Establish micropurchase procedures.

**3-2. PROCEDURES.**

**a.** Micropurchase: Any maintenance, repair or operating (MRO) supplies or services with an aggregate value of \$500 or less. Higher thresholds are considered case-by-case based on written justification submitted to the Executive Director through the Chief, Budget and Analysis (FMB).

**b.** As with all other requirements the requestor is responsible for obtaining required approvals prior to making the purchase.

**c.** Purchases shall be made using the corporate credit card issued by the Director, Financial Management (FM). Field level units (regions and below) are exempt from using the credit card.

**d.** The micropurchase program shall not be used for any of the following:

- 1) Cash advances.
- 2) Travel related purchases including airline tickets, lease/rental of vehicles, tickets, meals, drinks or lodging.
- 3) Any purchase for personal use, regardless of intent to reimburse.
- 4) Subsistence.

**e.** Credit cards are the only approved method for micropurchases except when a vendor will not accept the card. In those cases, the requestor will submit the requirement to Contracting through normal channels for purchase items.

**f.** Splitting requirements to avoid the maximum limitation is forbidden.

**g.** Unauthorized purchases are treated as ratifications. (See Section A, Chapter 1).

**3-3. RESPONSIBILITIES.** Requestors are responsible for purchases within the prescribed micropurchase limits. NHQ CAP/FM is responsible for governing micropurchases.

**3-4. CONTROL.** NHQ CAP/FM controls the micropurchase program.

**CHAPTER 4- DELINQUENT ITEMS**

**4-1. PURPOSE.** Provide procedures for follow-up on delinquent items.

**4-2. PROCEDURES.**

a. Open Purchase Requests. Requests are followed up upon notification by the originator.

b. Awarded Purchase Requests:

1) Follow-up is performed on an exception basis.

a) Activities requesting the supplies or services are responsible for notifying Contracting of delinquencies by the sixth day following scheduled delivery date.

b) Upon notification of an apparently delinquent order, Contracting initiates follow-up action using either verbal or written communications. Files contain documentation evidencing the action taken.

c) When continuing delivery problems are experienced, the Chief, Contracting Management is consulted.

2) When the vendor receives extension and a new estimated delivery date (EDD) is established, the customer is notified via computer input or other means.

**4-3. RESPONSIBILITIES.** Contracting ensures timely follow-up action and customer notification.

**4-4. CONTROL.** The Chief, Contracting Management manages the follow-up program.

## **CHAPTER 5- CONTRACT MAINTENANCE POLICY**

**5-1. PURPOSE.** Establish policy for the use of contract maintenance.

**5-2. PROCEDURES.**

**a.** Contract maintenance is maintenance and repair of material and equipment performed under contract by commercial vendors on a one time or continuing basis.

**b.** Each organization is responsible for delivering or arranging delivery of items to the repair source, and receiving, inspecting, and accepting the item after repairs are completed. The organization also maintains all warranty/guarantee information on new/repaired items.

**c.** Contracting determines the most appropriate and economical method of purchase. Use of government Contracts is optional.

**d.** If significant cost savings or other benefits can be realized, the Chief, Contracting Management authorizes prepayment of repair/maintenance orders.

**5-3. RESPONSIBILITIES.** Contracting is responsible for monitoring the contract maintenance system.

**5-4. CONTROLS.** The Chief, Contracting Management exercises overall management control.

**CHAPTER 6- CONTRACT MAINTENANCE PROCEDURES**

**6-1. PURPOSE.** Provide procedures applicable to requests for contract maintenance.

**6-2. PROCEDURES.**

a. The requestor determines whether an item should be repaired or condemned.

b. Upon receipt of a properly completed request, Contracting approves the vendor selected or selects a vendor and notifies requestor to arrange transportation of the item, including preparation of any required shipping documents unless on-site repair is necessary.

c. If quoted repair cost exceeds the Maximum Repair Allowance (MRA) or vendor recommends condemning, Contracting notifies the requestor. Normally, the MRA is 75 percent of the acquisition cost of a replacement item unless other regulations or directives prevail.

1) If requestor agrees to condemn the equipment, make arrangements to have it returned.

2) If requestor desires to proceed with the repairs, requestor prepares a written justification explaining why the MRA will be exceeded. Upon receipt of the justification, Contracting authorizes the repairs.

d. If the quoted repair cost does not exceed the maximum repair allowance and the prices are fair and reasonable, Contracting authorizes repairs.

**6-3. RESPONSIBILITIES.** Contracting is responsible for processing contract maintenance requests.

**6-4. CONTROL.** The Chief, Contracting Management exercises overall management control.

**CHAPTER 7- PREVENTIVE MAINTENANCE AGREEMENTS (PMAS)**

**7-1. PURPOSE.** Provide procedures for establishment and administration of PMAs.

**7-2. PROCEDURES.**

**a.** PMAs are established for CAP owned equipment for which regular maintenance is required. They are written with commercial concerns offering the service and cover such items as regular inspections, intervening calls, emergency calls, and may include the cost of all parts and labor. The requestor recommends the extent of maintenance required. The user should request that the agreement start after expiration of the warranty.

**b.** Contracting accomplishes the following:

**1)** Solicit PMA requirements from NHQ CAP activities and consolidate all submissions.

**2)** Negotiate and award PMA to cover all requests received for which a commercial source is available and for which it is economical to do so.

**3)** PMAs include:

**a)** Extent and nature of coverage.

**b)** Service call response time (normally expressed in work hours).

**c)** Persons authorized to place calls, preferably by position rather than name.

**d)** Pricing.

**e)** Type of item covered.

**7-3. RESPONSIBILITIES.** Contracting establishes and administers PMAs.

**7-4. CONTROL.** The Chief, Contracting Management exercises overall management of this program.

**CHAPTER 8- BLANKET PURCHASE AGREEMENTS**

**8-1. PURPOSE.** Establish procedures for Blanket Purchase Agreement (BPA) program.

**8-2. PROCEDURES.**

a. BPAs are established with vendors, by the issuance of a purchase order. The BPA establishes a charge account with selected vendors to provide supplies or services.

b. Actual purchases are made by issuing a call number to a vendor against the BPA.

c. No individual call may exceed \$100,000.

d. The Chief, Contracting Management authorizes establishment of BPAs. As a minimum, consideration is given to such factors as frequency of use, administrative savings and types of supplies or services required.

e. Contracting maintains files of documentation and transactions concerning each BPA. Files include as a minimum:

- 1) Copy of BPA.
- 2) Documents relating to each call.
- 3) Summary of expenditures.
- 4) Copies of any other correspondence generated pertinent to the agreement.

f. All other rules governing simplified purchase procedures, i.e., competition, price reasonableness apply.

g. Distribute BPAs as follows:

- 1) Original to vendor.
- 2) Copy one to file.
- 3) Copy two to Accounting.

h. The agreement contains substantially the same information as follows:

1) BPA is written for a period of five years from the date shown above. It may be used to acquire any supplies/services the vendor named above sells.

2) Prices charged by the vendor shall be as low or lower than those charged to the vendor's most favored customer for comparable quantities under similar terms and conditions.

3) No individual call against this BPA shall exceed \$100,000.

4) Obligations occur only to the extent of authorized purchases against this BPA.

5) Individuals Authorized to Place Calls. Individuals in the following positions are authorized to place calls under this BPA:

Director, Logistics  
Chief, Contracting Management  
Contracting Personnel

6) All deliveries must be accompanied by a delivery ticket/sales slip. This delivery ticket/sales slip must contain enough of the following data to identify the call and permit processing:

Name of vendor  
BPA number  
Call number (only one call number per ticket)  
Itemized list of supplies or services furnished including quantities, unit price and extended total  
Date of delivery

7) An itemized invoice for each call or a summary invoice (monthly statement) is required for payment. Send invoice to:

NHQ CAP/FMF  
105 S. Hansell St., Bldg 714  
Maxwell AFB, AL 36112-6332

8) Delivery destination will be specified at time call is placed. Vendor will receive a call number at time of order and will show call number on all delivery tickets.

9) Either party may terminate this agreement by giving a written notice of its intent 30 days prior to the effective date of the termination. Unless otherwise specified, all undelivered calls will remain in effect.

**10)** All potentially hazardous material supplied under the BPA must be accompanied by a Material Safety Data Sheet (MSDS) upon delivery.

**8-3. RESPONSIBILITIES.** Contracting is responsible for proper procedures and computer inputs. Directors are responsible for proper requisitioning and resource management.

**8-4. CONTROL.** The Chief, Contracting Management is responsible for the BPA program.



**CHAPTER 9- RECEIVING REPORTS**

**9-1. PURPOSE.** Establish procedures for acknowledging receipt and acceptance of supplies and services.

**9-2. PROCEDURES.**

**a.** Requestors prepare receiving reports to notify the Chief, Accounting (FMF) when supplies or services have been received and accepted.

**b.** Receiving reports may be accomplished as follows:

**1)** Signature on the purchase document.

**2)** Signature on the invoice.

**3)** Electronic (e-mail) citing award document number, complete or partial receipt. If partial, cite items received and quantities or percentage of work completed.

**a)** Accounting notifies the requestor when an invoice is received and no receiving report is on file.

**b)** Disputes regarding quality of supplies or services, quantities received, or other issues are resolved by Contracting.

**9-3 RESPONSIBILITIES.** The requestor is responsible for notifying FMF when supplies or services are accepted and proper for payment. Contracting resolves disagreements.

**9-4. CONTROL.** FM exercises overall control on receiving reports.

## SECTION C- SOLICITATIONS AND CONTRACTS

### CHAPTER 1- PRESOLICITATION REQUIREMENTS

**1-1. PURPOSE.** Provide procedures for purchases to be made by contract.

**1-2. PROCEDURES.**

**a.** Requirements for supplies or services are received from the requestor. The Chief, Contracting Management reviews the requirement prior to initiating procurement action.

**b.** The Contracting Specialist prepares the solicitation file, solicitation and related paper work, assembles the file and submits it to the ad hoc committee for review prior to release.

**1-3. RESPONSIBILITIES.** Contracting is responsible for processing requirements in accordance with current directives.

**1-4. CONTROL.** The Chief, Contracting Management exercises overall management control.

**CHAPTER 2- SOLICITATION MAILING LIST**

**2-1. PURPOSE.** Provide adequate competition, insure fair and reasonable prices and utilize preferred vendors.

**2-2. PROCEDURES.**

**a.** Offers are solicited from a list of contractors maintained in the Contracting Branch.

**1)** This list is updated periodically utilizing Bidder's Information Package.

**2)** Names of concerns debarred from entering into government contracts or otherwise determined ineligible are not placed on a mailing list. Use *The List of Parties Excluded from Federal Procurement or Nonprocurement Programs* and other information received to check each offeror for eligibility.

**3)** The initial solicitation mailing list is prepared with enough prospective offerors to insure adequate competition and preference for preferred vendors.

**b.** Publicizing Open Market Acquisitions

**1)** Acquisitions in excess of \$100,000 may be synopsisized in the *Commerce Business Daily*. Factors to consider when deciding whether to synopsized include:

**a)** Sole source is not synopsisized.

**b)** Increase participation of preferred vendors.

**2)** Acquisitions below the thresholds shown above may be synopsisized at the discretion of the Chief, Contracting Management, who considers the extent of the existing source base, the type of work or supplies involved, or any time constraints related to a particular acquisition.

**3)** Once synopsisized the acquisition advertising cycle will not be less than 30 days.

**4)** Acquisitions may also be posted on the CAP Website.

**2-3. RESPONSIBILITIES.** The Contracting Specialist is responsible for compiling the solicitation mailing list.

**2-4. CONTROL.** The Chief, Contracting Management exercises overall management of all bidder solicitation.

**CHAPTER 3- AD HOC REVIEW OF SOLICITATIONS AND CONTRACTS**

**3-1. PURPOSE.** Establish review procedures for contractual actions.

**3-2. PROCEDURES.**

**a. Solicitation Reviews.**

1) An ad hoc committee consisting of the Chief, Contracting Management and one other contracting individual reviews solicitations estimated to exceed \$100,000.

2) Review takes place prior to reproduction of the solicitation. Each reviewer makes a written record of his/her comments. The record and response become a permanent part of the file.

3) Committee members review file to insure required pre-solicitation documents are on-hand, accurate, and properly filed. Solicitation is reviewed to determine if required clauses are incorporated, bidding documents are complete and professional in appearance, evaluation factors for award are spelled out clearly and any specifications or drawings are acceptable.

4) Solicitations estimated under \$100,000 are reviewed by at least one committee member if the resultant award is to be a contract.

**b. Contract Reviews.**

1) An ad hoc committee consisting of the Chief, Contracting Management and one other contracting individual reviews contracts, regardless of dollar value.

2) Review takes place prior to signature of the contract. Reviewers make a written record of their comments. Comments and responses become a permanent part of the file.

3) Committee members review the file to insure all pre-award actions are complete and award documents are on hand, accurate and professional in appearance.

**3-3. RESPONSIBILITIES.** The Contracting Specialist is responsible for obtaining required reviews.

**3-4. CONTROL.** The Chief, Contracting Management exercises overall management of ad hoc reviews.

**CHAPTER 4- AMENDMENT OF SOLICITATIONS**

**4-1. PURPOSE.** Provide procedure for amending solicitations.

**4-2. PROCEDURES.**

**a.** If it becomes necessary to make revisions to the solicitation the following procedure applies:

**1)** Changes are announced by an amendment to the solicitation.

**2)** If the revisions have a material effect on price or performance the solicitation period is extended. As a general rule offerors are allowed ten days between the issue date of an amendment and the opening date. A shorter time is allowed when considered appropriate and approved by the Chief, Contracting Management.

**b.** The amendment receives the same distribution as the original solicitation minus any offerors who returned their packages as "No Bids."

**4-3. RESPONSIBILITIES.** Contracting is responsible for preparation and issuance of all amendments.

**4-4. CONTROL.** The Chief, Contracting Management exercises overall management of amendments.

**CHAPTER 5- CONTRACT AWARD**

**5-1. PURPOSE.** Provide procedures for contract award.

**5-2. PROCEDURES.**

- a. Award is made to the lowest responsive/responsible offeror after obtaining all required approvals.
- b. The contract is assigned a number from the control register.

**5-4. RESPONSIBILITIES.** Contracting is responsible for contract awards.

**5-5. CONTROL.** The Chief, Contracting Management exercises overall management of contract awards.

**CHAPTER 6- REQUIREMENTS CONTRACTS**

**6-1. PURPOSE.** Provide procedure for filling customer requirements over an extended period of time when exact quantities/delivery dates aren't known.

**6-2. PROCEDURES.**

- a. Requirements Type Contracts are described in Federal Acquisition Regulation 16.
- b. Customer provides estimated quantities.
  - 1) Must be reasonable estimates. Use of historical data recommended.
  - 2) Must have reasonable expectation of funding some portion of the quantities or items.
- c. Contract period is not limited to one year. Consideration will be given to the type of requirement, stability of the market, and funding priorities.
- d. Ordering authority may be delegated to the requestor provided there are funds on the contract or delivery order.

**6-3. RESPONSIBILITIES.** Contracting is responsible for the proper use of Requirements Contracts.

**6-4. CONTROL.** The Chief, Contracting Management exercises overall management for this procedure.

## CHAPTER 7- CONTRACT CHANGES

**7-1. PURPOSE.** Provide procedures for processing changes to contracts.

**7-2. PROCEDURES.**

**a. Customer Changes.**

1) A change proposed by a customer must include applicable specifications, justification and cost estimates.

2) Upon receipt of proposed changes, Contracting reviews documents for completeness and accuracy. Errors, if any, are discussed with the Chief, Contracting Management and a course of action determined. If necessary, Contracting obtains a revised estimate prior to beginning any negotiations.

3) Contracting conducts negotiations with the contractor to establish cost and any time extension.

a) If agreement is reached on a fair and reasonable price, the change is executed.

b) If no agreement is reached, Contracting returns the proposed change to the customer for a decision on whether to pursue it.

**b. Contractor Proposed Changes.**

1) Contractor proposed changes are submitted to Contracting and include proposed cost, justification, impact if not changed, and time extension, if applicable. Proposal is forwarded to the customer for validation and cost estimate.

2) The customer forwards proposed change to Contracting indicating whether contractor's proposal is acceptable. If not acceptable, due to price, time extension, etc., the customer provides an analysis in sufficient detail to permit negotiations. Upon completion of negotiations and determination that the proposal is fair and reasonable, the change is executed.

c. Changes under \$25,000 are negotiated without a detailed cost estimate. The customer submits a lump sum estimate for the change together with the details of the change. The contractor provides cost in lump sum form also. Contracting may ask either party to provide additional details to facilitate negotiations.

d. Contracting processes requests for time extensions. The final determination to grant a time extension is made by the Chief, Contracting Management.

e. Documentation. Procurement documents negotiations to include items discussed and resolution.

**7-3. RESPONSIBILITIES.** Contracting is responsible for changes to contracts.

**7-4. CONTROL.** The Chief, Contracting Management exercises overall management of changes to contracts.



**CHAPTER 8- DELINQUENT PERFORMANCE ACTIONS**

**8-1. PURPOSE.** Establish procedures for complete or partial termination of contracts for default or convenience.

**8-2. PROCEDURES.**

**a. Definitions.**

1) **Claim:** A written demand by one of the contracting parties seeking payment of money, adjustment of contract terms or other relief under the terms of the contract.

2) **Continued Portion of the Contract:** Portion of terminated contract that the contractor must continue to perform.

3) **Effective Date of Termination:** Date contractor will stop performance under the contract.

4) **Partial Termination:** Termination of a part, but not all, of the work not completed and accepted under a contract.

5) **Settlement Agreement:** A written agreement to a contract in amendment form settling all or a severable portion of a settlement proposal.

6) **Terminated Portion of the Contract:** That portion of a terminated contract relating to work or end items not completed and accepted before effective date of termination that the contractor is not to perform.

7) **Delinquent Performance:** Occurs when a contractor fails to deliver or perform within the prescribed delivery times and no excusable delays i.e., strike, act of God, etc., exist.

8) **Dispute:** A disagreement between the contract parties. Disputes are resolved through ascending levels of management of the respective parties. Judicial actions are adjudicated in the state of Alabama.

**b. When Contracting determines a contractor delinquent and the contract file contains no documented explanation for the delay, the following courses of action are available:**

1) Prepare Apparent Delinquent Performance Notification (Tab 1) and send it by certified mail, return receipt requested, or hand deliver to the contractor and obtain acknowledgment.

2) If the contractor's performance has not improved by the suspense date set in the delinquent notification a Cure Notice (Tab 2) is issued provided that the number of days remaining in the performance period is at least equal to the suspense time allowed in the Cure Notice. If the number of days remaining is insufficient, a Show Cause Notice (Tab 3) is issued. NOTE: Responses to apparent delinquent notification and Cure Notice need not always be in writing. For example, the contractor returns to intended progress or submits required documents. The final decision on the adequacy of any response rests with the Director Logistics.

3) If a satisfactory response is not received by the suspense date set forth in the Cure Notice, a Show Cause notice may be issued. In lieu of a Show Cause, a Warning Letter (Tab 4) may be sent as a means of making the contractor aware of our intent to take default action. Contracting and the Director, Logistics meet and review the response. At this time a decision is made to extend the performance period, carry the contract in a delinquent status, or terminate for default if a Show Cause was issued. If a warning letter was issued, the same people meet to determine if a Show Cause is warranted. Contracting reduces the decision to writing, including the rationale for the action taken.

4) When a cure or Show Cause notice is issued, progress payments are suspended until the matter is resolved to the satisfaction of the parties concerned.

5) If the decision allows the contractor to continue performance in a delinquent status, a Letter of Forbearance (Tab 5) is sent. During periods of forbearance, progress payments are authorized provided the contractor is making satisfactory progress.

6) If it is decided to terminate, a Notice of Termination (Tab 6) is prepared and issued either in person or by certified mail. Contracting commences re-procurement action immediately upon issuance of the notice.

7) Contracting contacts at least three firms for competitive proposals. The original bid abstract may be used as a bidder's list.

8) Terminated contract files are held open until all work on the re-procurement contract is complete and all outstanding claims are settled.

9) The actions outlined in subparagraphs b1) and b2) above are applied to the correction of administrative shortcomings such as lack of or late payrolls, progress reports, submittals, etc. Use of the Show Cause notice or termination action is not recommended.

**10)** CAP may, at its option, exclude contractors from bidding on future contracts if the Director, Logistics determines their past performance was not satisfactory. The determination includes references to specific contracts and areas of unsatisfactory performance. The contractor is notified, in writing, of the action and reasons for it. The contractor is given at least 15 days (not more than 30) to respond. If no response is received, the contractor is excluded for a period not to exceed three years. If a response is received, it, together with all supporting data, is submitted to the Executive Director for a final determination.

**8-3. RESPONSIBILITIES.** Contracting is responsible for application and enforcement.

**8-4. CONTROL.** The Chief, Contracting Management exercises management supervision of this procedure.

**APPARENT DELINQUENT PERFORMANCE NOTIFICATION**

A review of your contract file disclosed (insert problem area or areas).

Request you take action to correct the aforementioned areas or provide in writing any facts that are contributing to the problem. Your reply is required within \_\_\_\_ days after receipt of this notice.

**CURE NOTICE**

You are hereby notified that the Civil Air Patrol Contracting Management Office considers your (specify contractor failure/failures) as a condition endangering performance of this contract. Unless this condition is cured within ten days after receipt of this notice, (insert longer period if determined necessary) CAP may terminate for default under the terms and conditions of this contract.

**SHOW CAUSE NOTICE**

Since you failed to (insert “perform Contract No. \_\_\_\_\_ within the time required for its terms” or “cure the condition(s) jeopardizing performance under Contract No. \_\_\_\_\_ as described to you in our letter dated \_\_\_\_\_), CAP is considering terminating the contract per provisions of the Clause entitled Default. Pending a final decision in this matter, it is necessary to determine whether failure to perform arose from causes beyond your control and without fault or negligence on your part. You are hereby given the opportunity to present, in writing, facts bearing on the questions to the Chief, Contracting Management within, but, not later than ten days after receipt of this notice. Failure to present any excuses within this time is considered an admission that none exists. Your attention is invited to the respective rights of the contractor and CAP and the liabilities that may be invoked if a decision is made to terminate for default.

Any assistance given to you on this contract or any acceptance by CAP of delinquent goods or services is solely for the purpose of mitigating damages, and it is not the intention of CAP to condone any delinquency or to waive any rights it may have under the contract.

**WARNING LETTER**

In your response to our Cure Notice you told us you would \_\_\_\_\_. Your representative informed us \_\_\_\_\_. We have now learned that will not be the case. The responsibility for these delays rests solely on your company.

We are rapidly approaching the \_\_\_\_\_ point in your performance period and have yet to see or hear anything that would encourage us to believe you will complete this contract on time. We have shown great patience and tolerance while waiting for your firm to commence delivery. That ends with this letter.

In the interest of mitigating potential damage to your firm, we elected not to issue a Show Cause notice at this time, but instead are giving you this last opportunity to get this contract moving. Do not mistake this action as unwillingness on our part to do what must be done if you don't begin showing substantial progress. While we would take such action reluctantly, we will if forced to do so.

You have ten days from the date of this letter to commence delivery or we will exercise our contractual prerogatives. Further written or telephonic correspondence from your firm is unnecessary.

**LETTER OF FORBEARANCE**

You are hereby notified that Civil Air Patrol has evaluated your response to our Show Cause notice and found that your failure to perform arose out of causes over which you had control. However, in the interests of mitigating damages that would result from a default action we have elected to allow you to continue performance on your contract in a delinquent status.

This is the exercise of a unilateral right of CAP and may be withdrawn if you take written exception within ten days to any of the following conditions:

All terms and conditions of the contract as originally written and subsequently modified remain in full force and effect.

All remaining work shall be completed not later than (insert calendar date).

CAP reserves the right to terminate this period of forbearance at any time.

**NOTICE OF TERMINATION**

You are hereby notified that your contract number C-\_\_\_\_\_, covering \_\_\_\_\_, (hereinafter referred to as "the contract"), is terminated effective (date). You are ordered to cease all work except to the extent that the Chief, Contracting Management for Civil Air Patrol authorized you to continue for reasons of safety or to clear equipment.

This notice is the result of your failure to (insert reason). CAP will not entertain any appeals.

Payments under this contract are suspended until reprourement actions are completed and CAP determines a full accounting of your liability for any excess reprourement costs.

Failure to notify CAP, in writing, of any pending legal proceedings regarding this action within 30 days of the date of this letter shall be construed as a waiver of any and all claims.



**SECTION D- SPECIAL PROCEDURES****CHAPTER 1- SALE OF AIRCRAFT  
(NATIONAL HEADQUARTERS TRANSACTIONS ONLY)**

**1-1. PURPOSE.** Establish procedures for sale of Civil Air Patrol aircraft by the Chief, Contracting Management.

**1-2. PROCEDURES.**

**a.** Sales are initially conducted via sealed bid.

**b.** There is no written solicitation. Sales are publicized in at least two major trade magazines, i.e., Trade-A-Plane, Aero Trader, etc., and on the CAP Website.

**11)** The Contracting Specialist coordinates ad placement with the Chief, Aircraft Management.

**12)** Advertisement includes the following:

**a)** Time, place and date sealed bids will be opened. Allow sufficient time between expected appearance of the ad and bid opening.

**b)** A description of the aircraft to include make, model, year, hours, etc.

**c)** The phrase "All aircraft sold 'as is, where is' no expressed or implied warranties arising from statements in the aircraft and engine log books."

**d)** A minimum bid amount.

**e)** A five percent deposit required in a cashiers check, certified check or money order made payable to Civil Air Patrol. The balance is required in the same form.

**f)** Successful offeror has 30 days (a lesser number of days may be specified) to satisfy the bid balance or forfeit the deposit or the difference between their bid and the next low bidder, whichever is less.

**g)** If two or more bids are equal, selecting the earliest bid received breaks the tie.

**h)** Bid openings are open to the public.

**i)** Award is made to the highest responsive bidder at or above the minimum bid.

**13)** Notify unsuccessful bidders immediately but hold deposits in FM until awardee furnishes balance.

**14)** Prepare an Aircraft Sales Agreement (Tab 1) prior to bid opening and, if the successful bidder attends the opening, finalize the agreement and obtain signatures. Otherwise, mail the agreement.

**c.** Negotiation.

**1)** If no bids are received or responsive, the Contracting Specialist will negotiate the sale.

**a)** Run advertisement as above, eliminating references to public bid opening, minimum bid and deposit.

**b)** Review offers with LGM and determine course of action.

**2)** LG approves all negotiated sales prior to execution.

**1-3. RESPONSIBILITIES.** The Contracting Specialist conducts sales. The Chief, Contracting Management is responsible for sales. The Chief, Aircraft Management provides technical assistance.

**1-4. CONTROL.** The Director, Logistics approves sales action.

**CIVIL AIR PATROL  
AIRCRAFT SALES AGREEMENT**

This Agreement, entered into on *(insert date)* for the sale of the aircraft listed below, is by and between Civil Air Patrol, hereinafter referred to as "Seller" and *(insert buyer name)*, hereinafter referred to as "Buyer."

Notwithstanding any laws, rules or regulations to the contrary, Seller offers no warranties, expressed or implied, of any kind.

Aircraft sold as is, where is. Buyer takes possession at aircraft location and is responsible for all aircraft movement after that, including any costs associated with that movement.

Buyer agrees to make payment by cashiers check, certified check or money order in the amount specified in United States currency within *(insert days)* days from *(insert date)*. If payment is not made, Buyer forfeits entire deposit or difference between bid amount and next highest, responsive bid, whichever is less. Bid responsiveness is determined solely by the Seller.

Seller will provide all necessary documents at the time of payment.

Seller is responsible for removal of all CAP markings prior to sale.

**DESCRIPTION OF AIRCRAFT: SALE AMOUNT: \$**

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BUYER SIGNATURE

---

SELLER SIGNATURE

---

PRINTED NAME

---

PRINTED NAME

---

ADDRESS

---

ADDRESS

---

CITY, STATE, ZIP

---

CITY, STATE, ZIP

---

TELEPHONE

---

TELEPHONE

**CHAPTER 2- SALE OF VEHICLES  
(NATIONAL HEADQUARTERS TRANSACTIONS ONLY)**

**2-1. PURPOSE.** Establish procedures for outright sale of Civil Air Patrol vehicles by the Chief, Contracting Management.

**2-2. PROCEDURES.**

- a. Sales are conducted via sealed bid.
  - b. There is no written solicitation. Sales are publicized in local newspapers and on the CAP Website.
    - 1) The Contracting Specialist coordinates ad placement with the Chief, Transportation Management.
    - 2) Advertisement is constructed in accordance with standard commercial practice and includes the following:
      - a) No warranties, expressed or implied.
      - b) A minimum bid amount.
      - c) A five percent deposit required in a cashiers check, certified check or money order made payable to Civil Air Patrol. (The balance is required in the same form.)
      - d) Time, place and date sealed bids will be opened. (Allow sufficient time between expected appearance of the ad and bid opening.)
      - e) If two or more bids are equal, selecting the earliest bid received breaks the tie.
      - f) Bid openings are open to the public.
      - g) Award is made to the highest responsive bidder at or above the minimum bid.
    - 3) Notify unsuccessful bidders immediately but hold deposits in FM until awardee furnishes balance.
    - 4) Prepare a Vehicle Sales Agreement (Tab 1) prior to bid opening and, if the successful bidder is available, finalize the agreement and obtain signatures. Otherwise, mail the agreement.
  - c. Negotiation.
    - 1) If no bids are received or responsive, the Contracting Specialist may negotiate the sale. Run advertisement as above, eliminating references to public bid opening, minimum bid, and deposit. Review offers with LGT and determine course of action.
    - 2) LG approves all negotiated sales prior to execution.
- 2-3. RESPONSIBILITIES.** The Contracting Specialist conducts sales. The Chief, Contracting Management is responsible for sales. The Chief, Transportation Management provides technical assistance.
- 2-4. CONTROL.** The Director, Logistics approves sales actions.

**CIVIL AIR PATROL  
VEHICLE SALES AGREEMENT**

This Agreement, entered into on *(insert date)* for the sale of the vehicle(s) listed below, is by and between Civil Air Patrol, hereinafter referred to as "Seller" and *(insert buyer name)*, hereinafter referred to as "Buyer".

Notwithstanding any laws, rules or regulations to the contrary, Seller offers no warranties, expressed or implied, of any kind.

Vehicle(s) sold as is, where is. Buyer takes possession at vehicle location and is responsible for all vehicle movement after that, including any costs associated with that movement.

Buyer agrees to make payment by cashiers check, certified check or money order in the amount specified in United States currency within *(insert days)* days from *(insert date)*. If payment is not made, Buyer forfeits entire deposit or difference between bid amount and next highest, responsive bid, whichever is less. Bid responsiveness is determined solely by the Seller.

Seller will provide all necessary documents at the time of payment.

Seller is responsible for removal of all CAP markings prior to sale.

**DESCRIPTION OF VEHICLE(s): SALE AMOUNT: \$**

\_\_\_\_\_  
BUYER SIGNATURE

\_\_\_\_\_  
SELLER SIGNATURE

\_\_\_\_\_  
PRINTED NAME

\_\_\_\_\_  
PRINTED NAME

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
CITY, STATE, ZIP

\_\_\_\_\_  
CITY, STATE, ZIP

\_\_\_\_\_  
TELEPHONE

\_\_\_\_\_  
TELEPHONE

**CHAPTER 3- PURCHASES FOR RESALE**

**3-1. PURPOSE.** Provide procedures for purchase of resale items.

**3-2. PROCEDURES.**

**a.** The CAP Bookstore and Supply Depot are self-sustaining profit centers dealing primarily in recurring resale items. Purchases are made from selected manufacturers with demonstrated quality and competitive pricing.

**b.** The Bookstore and Supply Depot follow these guidelines for recurring resale items:

**1)** Written agreements are established with each vendor. The agreement spells out pricing and terms and includes the following:

- a)** Description of items or a general statement that the agreement covers all items the vendor markets.
- b)** Price Warranty: Prices charged are equal to or better than those charged to other customers ordering similar quantities and quality. NOTE: Agreements do not require specific pricing. Price in effect at time of order is adequate.
- c)** Delivery: Number of days after order is placed. This may vary depending on the size of an order.
- d)** Quality: The level of quality expected for the items being procured.
- e)** Exclusivity: A statement as to whether the agreement is exclusive. An exclusive agreement guarantees the vendor all orders for the products covered for the period of the agreement.
- f)** Cancellation: Terms under which either party may cancel the agreement. Normally, this is 60 day written notice.

**g)** Term: The length of time the agreement will run, not to exceed five years.

**h)** Disputes: Same as Section A, Chapter 8.

**1** Bookstore and Supply Depot will check Agreement prices against market prices at least annually to insure pricing is competitive. Document the results in the file (see 3-2b.2)).

**2** Agreements are numbered as follows:

**a** Bookstore FY-AB001.

**b** Supply Depot FY-AD001.

**c** Start over with 001 at the beginning of new FY.

**2)** Each agreement is kept in a suitable file folder with all orders, invoices and payments. Correspondence relating to the agreement is also retained in the folder.

**a)** Nonrecurring or one time purchases for resale are competed to the maximum extent practical. A record of the purchase is maintained.

**b)** Contracting will periodically conduct surveillance of Bookstore and Supply Depot purchasing activities.

**c)** Purchases of non-resale items in excess of the micropurchase threshold are routed to Contracting for action.

**3-3. RESPONSIBILITIES.** Bookstore and Supply Depot Managers are responsible for resale purchases.

**3-4. CONTROL.** Contracting conducts surveillance to ensure compliance.

## CHAPTER 4- HOTEL BOOKINGS

**4-1. PURPOSE.** Establish procedures for booking hotels for CAP sponsored National events such as National Congress on Air and Space Aerospace Education.

**4-2. PROCEDURES.**

a. CAP Plans and Requirements negotiates and awards contracts for hotels and related services in support of CAP sponsored National events.

b. Related services include catering, floral arrangements, and other special services provided by the hotel.

c. Contracts are competed to the maximum extent practical given such factors as available facilities within the geographic location.

d. Contracts are submitted to the Chief, Contracting Management for review. Coordination with CAP Plans and Requirements is recommended.

e. Other directors may negotiate hotel bookings for special events. The same rules apply.

**4-3. RESPONSIBILITIES.** Directors are responsible for hotel bookings, ensuring funds are available and obtaining required reviews.

**4-4. CONTROL.** Contracting reviews contracts for compliance.